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The Pantry, Inc.
Paul L. Brunswick
Chairman, Audit Committee
P.O. Box 8019 (27512)
305 Gregson Drive
Cary, NC 27511

November 16, 2011

The Office of the Secretary
PCAOB
1666 K Street, N.W.
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 37

Dear Sir or Madam;

On behalf of the Audit Committee of the Board of Directors of The Pantry, Inc., a Delaware Corporation with its principal office in Cary, NC and shares listed on The NASDAQ Stock Market, I would like to express our appreciation for the opportunity to offer our comments to your proposed mandatory rotation of audit firms as discussed in PCAOB release No. 2011-008. We feel that the proposed mandatory audit firm rotation is unnecessary, potentially detrimental to the quality of performed audits, and would significantly increase the costs of preparing and submitting audited financial statements for our Company. Below are several points supporting the above stated summary of our position.

1) We feel that many of the implemented SOX requirements have greatly reduced the risk of accounting fraud or the submission of materially misstated financial statements. These SOX requirements include: Whistleblower process; CFO & CEO certifications; PCAOB audit reviews; Internal Control management attestations and audits; enhanced oversight and control of audit firms by audit committees; and mandated audit partner rotations.

2) We also feel that SOX has reinforced the transparency among management, the auditors and the audit committees. Our Audit Committee has always met privately and separately, on a quarterly basis, with management, the outside auditors, and our internal auditor. At these meetings, we ask questions about any differences in opinion or any problems that they may be having.

3) Your stated rationale that a lack of required independence, objectivity, and professional skepticism by audit firms is either directly or indirectly responsible for "audit failures"

seems to be very subjective and not substantiated by hard evidence. While you report some restatements, you do not state that these restatements were necessary to correct material misstatements of financial information.

4) We feel that mandated rotation would greatly increase the learning curve in the first year that an auditor served as the independent auditor for the Company, as individuals at the new audit firm become familiar with the business, the business model, business risks, accounting policies, accounting issues, adequacy of internal controls, management processes, and the ethics and ethical leadership of management and the Board of Directors. This learning curve and necessary re-education of the new audit firm would greatly increase the man hours required by management staff, internal audit staff, and the audit firm. Auditor rotation may create service issues in smaller markets where some firms may not have staff to cover all the audit areas.

5) Independent of the incremental costs of the re-education, we feel that the quality of the audit might actually suffer in the early years because of the lack of historical knowledge and familiarity with key issues and business drivers.

6) We feel that auditor rotation may greatly complicate potential conflict of interest issues as the client seeks new auditors that have not recently provided assistance in areas such as transactions, tax planning, etc. Attempts to avoid conflict issues may limit the number of potential replacement firms.

7) We feel that the opinions expressed in the PCAOB concept release completely discount the value of auditor judgment, common sense, past knowledge, and reliance on past experience of the audit firm with the registrant. The concept release also seems to ignore the value of techniques such as statistical sampling in determining the extent and detail of audit, inquiry, confirmation, and documentation. The release seems also not to show any concern for the cost impact of pursuing a theoretical and somewhat subjective level of zero defects in the audit process. The PCOAB seems more interested in process perfection rather than outcomes.

8) We certainly support the goal of the PCAOB to insure the highest level of audit quality and integrity. However, we would suggest that expanding the current audit failure process to include involvement of the subject client directly in pursuing conflict resolution and appropriate corrective actions would greatly bolster the effectiveness of the audit review system.

9) We feel that mandatory audit firm rotation is not necessary if the audit failures are properly dealt with. The price for non-compliance on the part of audit firms is extremely high and we just don't see the logic of these firms compromising their integrity, reputation, or very existence to maintain any client.

In summary, if the PCAOB is concerned about the occurrence of audit failures, we urge the PCAOB to build on its audit review system by including both the audit firm and the subject client in discussing audit failures and taking required corrective actions. As members of the Audit Committee, we would welcome direct input from the PCAOB on the quality of audits and believe that it would be helpful to us in evaluating the audit services that we are receiving. This seems to us a far superior approach than requiring the entire universe of publicly held companies to rotate firms regardless of an audit committee's level of satisfaction with the quality and/or cost of the audit. We believe mandatory rotation would significantly limit the Audit Committee's control over the quality, efficiency and the cost of the audit, as it would be required to dismiss an auditor who was providing excellent audit services at a reasonable cost and replace that firm with one that may or may not ultimately get to the same level of service.

Sincerely,

Paul L. Brunswick
Chairman, Audit Committee
The Pantry, Inc.